

**Table 1: Establishment Employment Flows by Industry Sector**

**1990-1995 Net and Gross Flows**

Industry	1990 Employment	Net	Creation	Destruction	Reallocation
Agriservices	550,294	13.5	51.9	-38.5	90.4
Mining	709,672	-12.3	41.5	-53.8	95.3
Construction	5,226,912	-3.7	45.9	-49.6	95.6
Manufacturing	19,230,169	-3.3	28.2	-31.5	59.7
Transp., Comm., & Public Util.	5,599,739	5.6	42.4	-36.8	79.2
Wholesale Trade	6,351,408	3.9	41.6	-37.7	79.3
Retail Trade	19,759,367	6.5	44.9	-38.5	83.4
Finance, Insurance, & Real Estate	6,990,512	-0.1	45.7	-45.8	91.6
Services	28,926,595	18.1	47.8	-29.7	77.6
Total (includes uncoded)	93,425,129	7.1	42.4	-35.4	77.8

**1994-1995 Net and Gross Flows**

Industry	1994 Employment	Net	Creation	Destruction	Reallocation
Agriservices	587,656	6.9	23.4	-16.5	40.0
Mining	606,998	3.3	21.9	-18.6	40.6
Construction	4,717,647	6.6	25.9	-19.3	45.2
Manufacturing	18,105,090	2.7	12.0	-9.2	21.2
Transp., Comm., & Public Util.	5,719,288	3.5	16.0	-12.5	28.5
Wholesale	6,332,771	4.2	16.5	-12.3	28.9
Retail	20,342,393	3.5	17.8	-14.2	32.0
Finance, Insurance, & Real Estate	7,000,852	-0.2	15.7	-15.9	31.6
Services	33,216,192	4.4	17.0	-12.6	29.6
Total (includes uncoded)	96,687,346	3.6	16.6	-13.0	29.6

Percent change in establishment jobs (based on mean employment in industry).

Source: Tabulations of the prototype Longitudinal Establishment and Enterprise (LEEM) file, a joint project of the Office of Economic Research, Office of Advocacy, Small Business Administration and the Center for Economic Studies of the Bureau of the Census, Department of Commerce.

**Table 2: Employment Flows Classified by Size of Establishment - 1994-1995****Classified by Employment in Initial Year**

Initial Establishment Employment	1994 Employment	Net	Creation	Destruction	Reallocation
1-4	6,127,769	18.2	36.2	-17.9	54.1
5-19	19,223,594	5.0	20.8	-15.8	36.6
20-49	15,905,109	3.5	17.5	-14.0	31.5
50-99	12,224,648	3.2	15.9	-12.7	28.6
100-499	24,033,851	2.1	13.5	-11.5	25.0
500-999	6,661,977	-0.6	10.2	-10.8	21.0
1,000-4,999	9,934,405	-0.9	8.0	-8.9	16.9
5000+	2,575,993	1.5	10.1	-8.5	18.6
Total	96,687,346	3.6	16.6	-13.0	29.6

**Classified by Mean of 1994 and 1995 Employment**

Mean Establishment Employment	1994 Employment	Net	Creation	Destruction	Reallocation
1-4	7,125,242	4.4	33.4	-29.0	62.4
5-19	19,087,849	3.4	20.1	-16.7	36.7
20-49	15,683,617	4.1	17.6	-13.6	31.2
50-99	12,073,947	4.7	16.4	-11.7	28.1
100-499	23,798,729	4.0	13.8	-9.8	23.6
500-999	6,571,009	2.6	11.1	-8.6	19.7
1,000-4,999	9,818,110	2.2	9.0	-6.8	15.9
5000+	2,528,843	1.1	7.3	-6.1	13.4
Total	96,687,346	3.6	16.6	-13.0	29.6

Percent change in establishment jobs (based on mean employment in size class).

Source: Tabulations of the prototype Longitudinal Establishment and Enterprise (LEEM) file, a joint project of the Office of Economic Research, Office of Advocacy, Small Business Administration and the Center for Economic Studies of the Bureau of the Census, Department of Commerce.

**Table 3: Employment Flows Classified by Size of Firm - 1994-1995****Classified by Employment of Firm in Initial Year**

Initial Firm Employment	1994 Employment	Net	Creation	Destruction	Reallocation
1-4	5,311,360	17.7	36.2	-18.5	54.7
5-19	13,862,848	4.6	20.9	-16.3	37.2
20-49	10,364,280	3.3	17.1	-13.8	30.9
50-99	7,321,621	3.1	15.8	-12.8	28.6
100-499	14,113,903	2.5	15.4	-12.9	28.2
500-999	5,128,503	1.8	14.1	-12.3	26.3
1,000-4,999	12,357,524	3.0	13.2	-10.3	23.5
5,000-9,999	5,016,480	2.1	13.1	-11.0	24.1
10,000-24,999	7,675,759	2.3	13.1	-10.7	23.8
25,000+	15,535,068	1.4	13.1	-11.6	24.7
Total	96,687,346	3.6	16.6	-13.0	29.6

**Classified by Mean of 1994 and 1995 Employment of Firm**

Mean Firm Employment	1994 Employment	Net	Creation	Destruction	Reallocation
1-4	6,098,159	5.2	33.9	-28.6	62.5
5-19	13,590,553	3.7	20.0	-16.4	36.4
20-49	10,109,845	4.4	17.1	-12.7	29.8
50-99	7,182,939	4.3	15.9	-11.6	27.5
100-499	13,748,472	4.3	15.7	-11.4	27.1
500-999	4,906,535	4.8	15.0	-10.2	25.2
1,000-4,999	12,280,925	4.0	13.6	-9.6	23.2
5,000-9,999	5,136,903	2.6	13.9	-11.3	25.2
10,000-24,999	8,029,536	2.7	13.1	-10.3	23.4
25,000+	15,603,479	1.8	13.2	-11.4	24.6
Total	96,687,346	3.6	16.6	-13.0	29.6

Percent change in establishment jobs (based on mean employment in size class).

Source: Tabulations of the prototype Longitudinal Establishment and Enterprise (LEEM) file, a joint project of the Office of Economic Research, Office of Advocacy, Small Business Administration and the Center for Economic Studies of the Bureau of the Census, Department of Commerce.

**Table 4: Establishment Employment Flows Classified by Age of Establishment - 1994-1995****All Establishments with Employment in Either Year**

Start Year	1994 Employment	Net	Creation	Destruction	Reallocation
1995 (births)	0 *	200.0	200.0	0.0	200.0
1994	2,677,765	64.0	80.3	-16.3	96.6
1993	5,129,449	-1.1	20.3	-21.4	41.6
1992	5,749,020	-3.8	16.5	-20.3	36.7
1991	4,437,335	-2.8	15.1	-17.9	33.0
1990	4,154,169	-2.2	14.5	-16.8	31.3
1989	4,172,395	-2.9	13.6	-16.5	30.1
1988	3,688,400	-2.2	13.2	-15.4	28.6
1983-1987	18,395,178	-1.9	11.5	-13.4	24.8
1978-1982	15,407,252	-2.1	9.3	-11.5	20.8
1977 or earlier	32,876,383	-1.3	7.9	-9.2	17.1
Total	96,687,346	3.6	16.6	-13.0	29.6

**Establishments with Employment in Both Years (Excluding Births and Deaths)**

Start Year	1994 Employment	Net	Creation	Destruction	Reallocation
1994	2,345,057	14.7	27.0	-12.2	39.2
1993	4,594,560	8.0	19.6	-11.6	31.2
1992	5,231,071	4.6	16.3	-11.7	27.9
1991	4,108,798	4.1	15.0	-10.8	25.8
1990	3,886,854	3.7	14.3	-10.6	24.9
1989	3,919,090	2.6	13.3	-10.7	24.0
1988	3,478,188	3.1	13.1	-10.0	23.1
1983-1987	17,569,160	2.3	11.3	-9.0	20.3
1978-1982	14,912,786	0.9	9.3	-8.4	17.6
1977 or earlier	32,111,077	0.9	7.8	-6.9	14.7
Total	92,156,641	2.5	11.3	-8.8	20.2

\* 1995 employment for births was 2,847,081.

Percent change in establishment jobs (based on mean employment in size class).

Source: Tabulations of the prototype Longitudinal Establishment and Enterprise (LEEM) file, a joint project of the Office of Economic Research, Office of Advocacy, Small Business Administration and the Center for Economic Studies of the Bureau of the Census, Department of Commerce.

**Table 5: Single Unit Establishments, Gross and Net Employment Changes, 1994-95**

Weighted<sup>1</sup> Cell-based Regression Results (t-statistics in parentheses)

Classifying establishments by initial or mean size of establishments

	<b>All Industries<sup>2</sup></b>		<b>Manufacturing</b>		<b>Retail</b>		<b>Services</b>	
	Initial	Mean	Initial	Mean	Initial	Mean	Initial	Mean
n <sup>3</sup>	547	549	61	60	54	54	70	71
<b>Creation</b>								
R <sup>2</sup>	.75	.72	.72	.81	.72	.81	.78	.72
Establ.age	<b>-.065</b> (27.9)	<b>-.074</b> (33.6)	<b>-.066</b> (9.04)	<b>-.081</b> (15.41)	<b>-.044</b> (6.93)	<b>-.052</b> (14.35)	<b>-.071</b> (12.5)	<b>-.078</b> (13.25)
Establ.empl.	<b>-.018</b> (19.0)	<b>.000</b> (0.55)	<b>-.022</b> (6.2)	<b>.002</b> (.70)	<b>-.030</b> (8.34)	<b>-.004</b> (2.04)	<b>-.014</b> (7.4)	<b>-.002</b> (0.88)
<b>Destruction</b>								
R <sup>2</sup>	.64	.74	.56	.76	.55	.72	.79	.82
Establ.age	<b>-.082</b> (24.9)	<b>-.076</b> (28.3)	<b>-.082</b> (8.2)	<b>-.072</b> (10.35)	<b>-.090</b> (7.6)	<b>-.084</b> (9.11)	<b>-.070</b> (14.9)	<b>-.067</b> (14.7)
Establ.empl.	<b>-.003</b> (2.32)	<b>-.016</b> (14.4)	<b>-.004</b> (0.82)	<b>-.020</b> (5.96)	<b>-.010</b> (1.47)	<b>-.032</b> (6.09)	<b>-.005</b> (3.33)	<b>-.013</b> (8.12)
<b>Reallocation</b>								
R <sup>2</sup>	.80	.85	.79	.89	.74	.83	.85	.87
Establ.age	<b>-.147</b> (37.7)	<b>-.150</b> (47.5)	<b>-.148</b> (12.9)	<b>-.153</b> (19.33)	<b>-.135</b> (10.0)	<b>-.136</b> (13.8)	<b>-.141</b> (17.5)	<b>-.145</b> (19.9)
Establ.empl.	<b>-.021</b> (13.3)	<b>-.015</b> (11.9)	<b>-.025</b> (4.7)	<b>-.017</b> (4.77)	<b>-.040</b> (5.28)	<b>-.036</b> (6.45)	<b>-.020</b> (7.16)	<b>-.015</b> (5.83)
<b>Net Change</b>								
R <sup>2</sup>	.32	.35	.12	.28	.24	.43	.19	.21
Establ.age	<b>.018</b> (4.21)	<b>.002</b> (.51)	<b>.015</b> (1.16)	<b>-.009</b> (.96)	<b>.046</b> (3.36)	<b>.031</b> (3.17)	<b>-.001</b> (0.17)	<b>-.010</b> (1.34)
Establ.empl.	<b>-.015</b> (8.76)	<b>.016</b> (10.6)	<b>-.018</b> (2.83)	<b>.021</b> (4.77)	<b>-.021</b> (2.65)	<b>.028</b> (4.88)	<b>-.009</b> (3.99)	<b>.011</b> (4.23)

1. Weighted by the sum of the initial or mean employment for each cell.

2. The all-industry regressions were run with dummies for the nine industry divisions.

3. 'n' indicates the number of cells used in each regression, not the number of establishments.

**Table 6: Multi-unit Establishments, Gross and Net Employments Changes, 1994-95**

Weighted<sup>1</sup> Cell-based Regression Results (t-statistics in parentheses)  
Classifying establishments by initial or mean size of establishments and their firms

n <sup>3</sup>	<b>All Industries<sup>2</sup></b>		<b>Manufacturing</b>		<b>Retail</b>		<b>Services</b>	
	Initial 3752	Mean 3788	Initial 453	Mean 464	Initial 431	Mean 439	Initial 458	Mean 468
<b>Creation</b>								
R <sup>2</sup>	.44	.36	.54	.56	.37	.32	.57	.49
Establ.age	<b>-.028</b> (23.1)	<b>-.038</b> (35.7)	<b>-.027</b> (10.2)	<b>-.033</b> (16.4)	<b>-.018</b> (6.86)	<b>-.025</b> (13.2)	<b>-.038</b> (10.6)	<b>-.052</b> (15.9)
Establ.empl.	<b>-.021</b> (39.5)	<b>-.007</b> (14.2)	<b>-.018</b> (13.6)	<b>-.006</b> (5.85)	<b>-.020</b> (12.4)	<b>-.002</b> (1.93)	<b>-.025</b> (17.9)	<b>-.011</b> (8.95)
Firm empl.	<b>.002</b> (6.21)	<b>-.000</b> (1.48)	<b>-.001</b> (0.70)	<b>-.004</b> (6.84)	<b>.001</b> (1.33)	<b>-.001</b> (2.95)	<b>.006</b> (4.97)	<b>.003</b> (3.43)
<b>Destruction</b>								
R <sup>2</sup>	.20	.31	.10	.16	.19	.41	.29	.38
Establ.age	<b>-.038</b> (19.9)	<b>-.030</b> (18.5)	<b>-.031</b> (6.4)	<b>-.022</b> (5.23)	<b>-.014</b> (3.3)	<b>-.010</b> (2.70)	<b>-.053</b> (11.8)	<b>-.043</b> (11.0)
Establ.empl.	<b>-.006</b> (7.58)	<b>-.017</b> (24.0)	<b>-.005</b> (1.85)	<b>-.015</b> (6.58)	<b>-.018</b> (7.2)	<b>-.031</b> (14.5)	<b>-.006</b> (3.50)	<b>-.015</b> (9.39)
Firm empl.	<b>.001</b> (2.24)	<b>.003</b> (5.8)	<b>.002</b> (1.51)	<b>.005</b> (3.45)	<b>-.002</b> (1.53)	<b>-.000</b> (0.23)	<b>.004</b> (2.50)	<b>.004</b> (3.5)
<b>Reallocation</b>								
R <sup>2</sup>	.42	.47	.37	.43	.43	.46	.56	.59
Establ.age	<b>-.066</b> (29.97)	<b>-.068</b> (35.6)	<b>-.058</b> (10.8)	<b>-.056</b> (12.5)	<b>-.032</b> (6.94)	<b>-.035</b> (8.44)	<b>-.091</b> (15.5)	<b>-.096</b> (18.1)
Establ.empl.	<b>-.027</b> (28.1)	<b>-.024</b> (28.2)	<b>-.023</b> (8.26)	<b>-.021</b> (9.04)	<b>-.038</b> (13.7)	<b>-.033</b> (13.5)	<b>-.032</b> (13.6)	<b>-.026</b> (12.6)
Firm empl.	<b>.003</b> (5.33)	<b>.002</b> (4.07)	<b>.002</b> (1.03)	<b>.000</b> (0.24)	<b>-.001</b> (0.59)	<b>-.002</b> (1.57)	<b>.009</b> (4.93)	<b>.008</b> (4.75)
<b>Net Change</b>								
R <sup>2</sup>	.10	.09	.11	.07	.01	.29	.17	.01
Establ.age	<b>.010</b> (4.54)	<b>-.008</b> (4.33)	<b>.004</b> (0.79)	<b>-.011</b> (2.07)	<b>-.005</b> (0.93)	<b>-.015</b> (3.88)	<b>.014</b> (2.58)	<b>-.008</b> (1.69)
Establ.empl.	<b>-.014</b> (14.1)	<b>.010</b> (11.96)	<b>-.014</b> (4.63)	<b>.009</b> (3.28)	<b>(-.002)</b> (0.67)	<b>.029</b> (12.1)	<b>-.019</b> (8.83)	<b>.003</b> (1.59)
Firm empl.	<b>.001</b> (1.36)	<b>-.003</b> (5.59)	<b>-.003</b> (1.62)	<b>-.010</b> (5.67)	<b>.003</b> (1.89)	<b>-.001</b> (1.21)	<b>.002</b> (1.22)	<b>-.001</b> (.52)

1 Weighted by the sum of the initial or mean employment for each cell.

2 The all-industry regressions were run with dummies for the nine industry divisions.

3 'n' indicates the number of cells used in each regression, not the number of establishments.

Figure 1: Net Growth For All Industries, 1994-1995

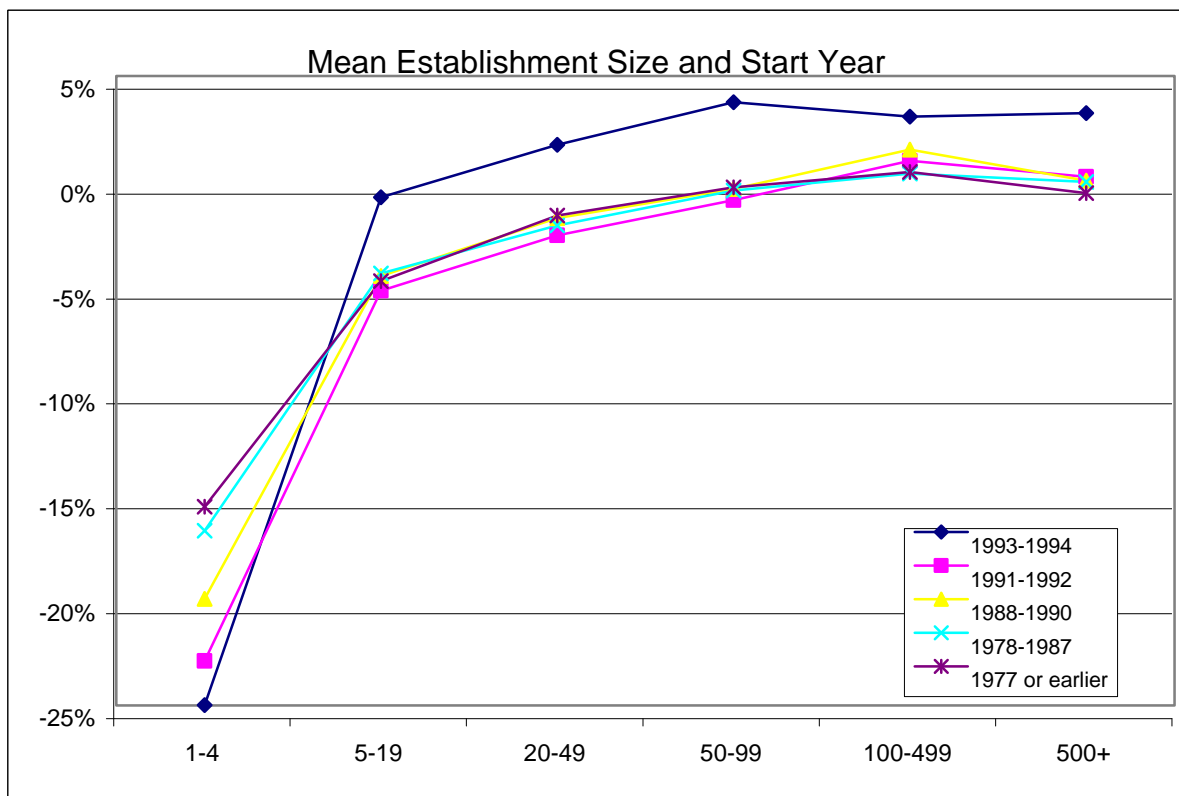
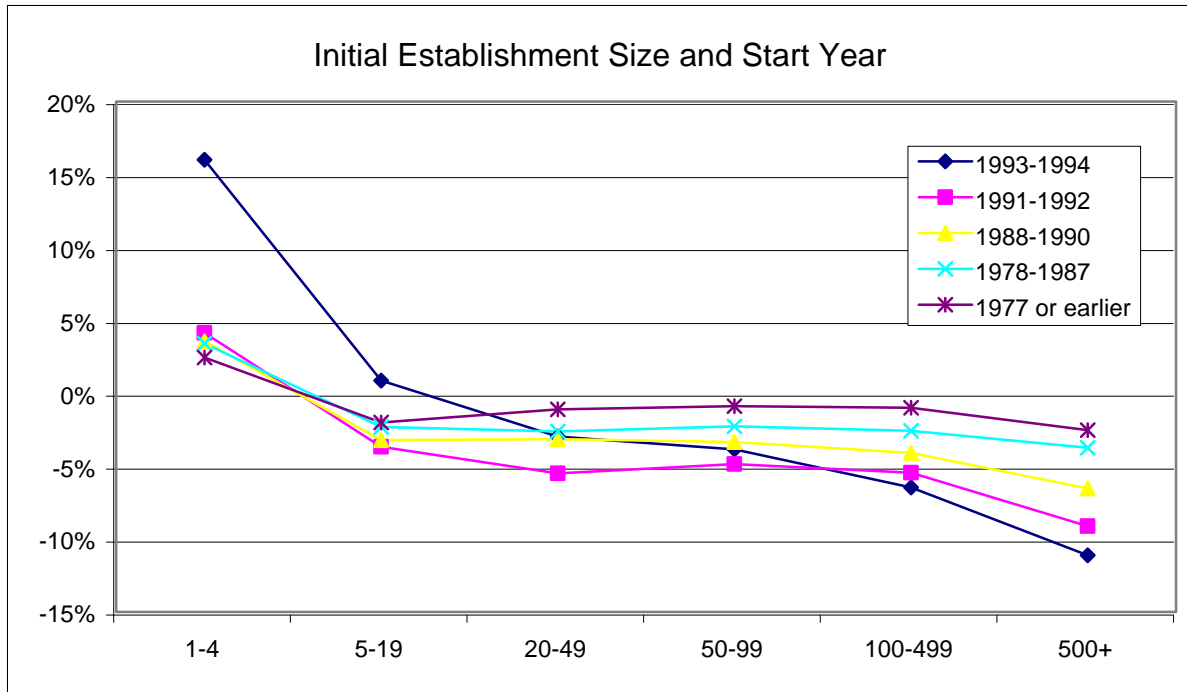


Figure 2  
Reallocation Rates: 1994-1995 by Mean Firm Size and Industry

